

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

UNITED STATES SECURITIES AND
EXCHANGE COMMISSION,

Plaintiff,

-against-

STEFAN QIN, et al.,

Defendants.

20-CV-10849 (JGLC)

ORDER

JESSICA G. L. CLARKE, United States District Judge:

WHEREAS, on January 21, 2022, Robert A. Musiala, Jr. Esq. of Baker & Hostetler LLP (“BakerHostetler”) was appointed as the Receiver in this action. ECF No. 31.

WHEREAS, on September 28, 2023, the Receiver submitted the Tenth Fee Application, ECF No. 244, seeking approval of the payment of fees and expenses incurred between April 1, 2023 and June 30, 2023 (the “Application Period”). The Tenth Fee Application seeks approval of payments in the following amounts: \$501,084.48 to BakerHostetler; \$330,564.06 to Ankura Consulting Group, LLC (“Ankura”); \$12,750.00 to the Law Office of Dennis O. Cohen, PLLC; \$135.00 to Nelsons Attorneys-at-Law, Ltd; and \$1,058.40 to Miller Kaplan Arase, LLP (collectively, the “Receiver Team”). In connection with the Tenth Fee Application, the Receiver and the Receiver Team submitted invoices detailing the work performed.

It is hereby ORDERED that the Tenth Fee Application is GRANTED. The Receiver is authorized to make payments for the total amounts requested in the application. “A receiver appointed by a court who reasonably and diligently discharges his duties is entitled to be fairly compensated for services rendered and expenses incurred.” *SEC v. Amerindo Inv. Advisors Inc.*, No. 05-CV-5231 (RJS), 2019 WL 3526590, at *4 (S.D.N.Y. Aug. 2, 2019) (quoting *SEC v. Byers*, 590 F. Supp. 2d 637, 644 (S.D.N.Y. 2008)). “Like fee awards in other contexts, the

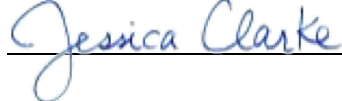
reasonableness of a receiver's fee application is determined in the court's discretion, and is judged by, among other things, the reasonableness of the hourly rate charged and the reasonableness of the number of hours billed." *Id.* (internal citations omitted). In determining a reasonable fee, the Court considers a number of factors, including "(1) the complexity of problems faced, (2) the benefits to the receivership estate, (3) the quality of the work performed, and (4) the time records presented." *SEC v. Morgan*, 504 F. Supp. 3d 221, 223 (W.D.N.Y. 2020) (quoting *SEC v. Platinum Mgmt. (NY) LLC*, No. 16-CV-6848 (BMC), 2018 WL 4623012, at *4 (E.D.N.Y. Sept. 26, 2018)).

Here, the SEC reviewed and approved the fee application and the invoices for the Receiver and the Receiver Team. ECF No. 244 ¶ 1. The SEC's approval is "given great weight" in determining the reasonableness of the compensation and reimbursement sought by a receiver. *Morgan*, 504 F. Supp. 3d at 223 (quoting *Byers*, 590 F. Supp. 2d at 644). The Tenth Fee Application and billing records reflect the significant efforts of the Receiver Team, which continues to engage in highly complex and time-intensive work on behalf of the Receivership. During the Application Period, the Receiver Team performed work that was beneficial to the Receivership, including collecting and analyzing data; negotiating with third parties, executing settlement agreements and collecting associated Receivership Property; preparing a motion to compel turnover of assets; interviewing a witness; negotiating with two foreign-based cryptocurrency exchanges to request records related to Receivership Property in the form of cryptocurrencies; drafting and posting to the Receivership website a list of answers to frequently asked questions; evaluating claims submitted through an electronic claims portal; analyzing financial data; communicating with third parties to request production of documents; and drafting a complaint to support potential litigation against a U.S.-based entity that received

Receivership Property. ECF No. 244 ¶ 4. The hourly rates remain significantly discounted from the ordinary rates of the Receiver and Ankura, resulting in a combined total discount and fee write-off of \$376,278.50 and \$138,789.50, respectively, for the Application Period. *Id.* ¶ 28.

Dated: December 18, 2023
New York, New York

SO ORDERED.

A handwritten signature in blue ink that reads "Jessica Clarke". The signature is written in a cursive, flowing style. It is positioned above a solid horizontal line.

JESSICA G. L. CLARKE
United States District Judge